



TRANSPARENCY INTERNATIONAL-PAKISTAN

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2 March, 2020

TL20/March 2. /1A

Mr. Usman Buzdar
Chief Minister Punjab,
Government of Punjab,
Chief Minister House,
Lahore.

Sub: Violation of Punjab Procurement Rules 2014 in Tender of Procurement of 34 Nos.
Bulldozers at Cost of Rs. 1.992 M by Agriculture Department

Dear Sir,

Transparency International Pakistan in response to its letter dated 6.12.2019 forwarding the complaint received in the tender of subject quoted above, has received copy of MD PPRA, dated 10.2.2020, sent to Dir. Eng. Agriculture Punjab.

Following observations of TI Pakistan were sent to you for taking action so that exchequers shall not loses funds in name of manipulated tender:

A. This procurement based on Consultants Rule No 45 .Methods for selection of consultants.-Sub Rule No 3, Quality and Cost Based Selection is in violations of PPA Rule No 38.

B. This method is an act of favoritism under evaluation of financial score system of 80% for technical and 20% allocated for the financial part of the bid, may reunite in party quoting Branded Bulldozes at Rs 2 Billion, with technical score of 60 and being Lowest bidder, score of 20, (Combined Score 80) will not be awarded as another Bidder may obtain 75 Marks in Technical, and 10 marks in Financial Evaluation, if ill quotes Rs 4 Billion, (Combined Score 85), and exchequer will end paying Rs 2 Billion Extra.

C. Other anomalies ink Evaluation. Criteria, as reported by Complainant also result in violation of PPRA Rule No 34. Discriminatory and difficult conditions.-Save as otherwise provided, no procuring agency shall introduce any condition, which discriminates between bidders or which is difficult to meet, Rule No 4. Principles of procurements and 10. Specifications.-(!) A procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not neither favor any single contractor nor put others at a disadvantage.

D. This procurement also attracts application of 69. Mis-procurement.-Any violation of these rules shall be treated as mis-procurement.

The clarification by Managing Director PPRA given on above observations do not comply with the PPRA Act or with PPRA Rule.

A & B. Using QCBS. This Method is allowed only in Procurement of Services, where the prices are based on the input of various Engineering Experts, and on their fee, plus Consulting Firms overheads, and that too only in case of highly complex engineering project,



It is mandatory that Procuring agency are required to avoid **ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing**, and QCBS is not a practice of trade for equipment purchase.

34. Discriminatory and difficult conditions. – Save as otherwise provided, no procuring agency shall introduce any condition, which discriminates between bidders or that is considered to be met with difficulty. **In ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing**, construction business or service to which that particular procurement is related.

PPRA has directed the Procuring Agency to remove the name QCBS from tender documents but use the method described in QCBS, PPRA itself is violating the PPRA Act and PPRA Rules.

C. Private Ltd Companies and Public Listed Companies are required to be registered with SECP. Proprietary or partnership companies are not registered with SECP. And use of Tax 3 Engine need fuel Euro 3. Which is not imported and used in Pakistan. MD PPRA is silent on these observations.

Never in Punjab, KPK, Sindh or Baluchistan any equipment is procured on QCBS. Nor any equipollent is ever purchased on QCBS under World bank, Asian Development Bank in Pakistan.

An example is attached, where using this QCBS Method, bidder with 100% higher price may be awarded the Contract.

Transparency International Pakistan requests the Chief Minister Punjab to examine the complaint, take immediate action if any irregularity is found in this tender.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,

Justice (R) Zia Perwez
Trustee

Copies forwarded for the information with request to take action under their mandate to:

1. Chairman, NAB, Islamabad.
2. Chief Secretary, Government of Punjab, Lahore.
3. Registrar, Supreme Court of Pakistan, Islamabad.

Form IVC. QCBS—Combined Technical/Financial Evaluation—Award Recommendation

Suppliers ' names	Technical Evaluation (80 Marks)			Financial Evaluation (20 Marks)		Combined Evaluation	
	Technical scores ^a S(t)	Weighted scores S(t) × T ^b	Technical rank	Financial scores ^c S(f)	Weighted scores S(f) × F ^d	Scores S(t) T + S(f) F	Rank
A	98	78.4	1st	50	10	88.4	1st
B	85	68	2 nd	75	15	83	2 nd
C	75	60	3 rd	100	20	80	3 rd

Financial Evaluated Offers.

Rs 100 Million

Rs 70 million

Rs 50 million

A
B
C